

MEMORANDUM

#04-14

TO: All Department & School Fiscal Officers

FROM: Trisha L. Neely, Director

DATE: December 12, 2003

SUBJECT: **DFMS Monthly Reconciliations and Internal Controls**

Analysis of the current DFMS Monthly Reconciliation process, in which each transaction is verified after entry, indicates that a significant amount of staff time is used to achieve minimal benefits. Efficiency has become even more important during this period of limited personnel resources. Therefore, the Division of Accounting in consultation with State organizations, Public Education and State Auditor representatives, has developed new procedures to better utilize staff time while maintaining system integrity. The new procedures will place the emphasis on sound internal controls with appropriate system checks rather than after-the-fact, line-by-line reconciliation.

1. Responsible Officers will certify by the 15th of each month effective January 1, 2004 (See Enclosure) that:
 - a. There were no deficiencies that arose which could adversely affect the agency's ability to record, process, summarize and report financial data, and that they identified no material weakness in internal controls.
 - b. The transactions have been properly reviewed and authorized prior to processing to ensure the proper delivery and receipt of goods/services.
 - c. Appropriations reflect accurate charges and all discrepancies identified have been corrected.

The form may be faxed to the Division of Accounting to the attention of your State Accountant.

2. Responsible Officers will certify that they conducted an annual review of their agency's Delaware Financial Management System Internal Control Plan and that they analyzed their operations to ensure compliance with the plan. The certification will be included in the "Letter of Representation" that is submitted as part of the GAAP package for the year ending June 30, 2004.

For questions or concerns please contact Vernard Wilkerson at 302-744-1035 or email vernard.wilkerson@state.de.us.

Enclosure

Cc: State Accountants
Vernard Wilkerson, Deputy Director

References:

1. Section II of the State of Delaware Budget and Accounting Policy Manual, Internal Controls
2. Section XI of the State of Delaware Budget and Accounting Policy Manual, Monthly Reconciliations

MEMORANDUM

TO: Director
Division of Accounting
Suite 3, Thomas Collins Building
Dover, DE 19901
D570C

FROM:

DEPARTMENT:

DIVISION(S):

DATE:

SUBJECT: **Monthly Certification of Internal Controls**

I certify to the best of my knowledge and belief, that for _____Month/Year_____:

1. There were no deficiencies that arose which could adversely affect this agency's ability to record, process, summarize and report financial data and we have identified no material weakness in internal controls.
2. The transactions have been properly reviewed and authorized prior to processing to ensure the proper delivery and receipt of goods/services.
3. Appropriations reflect accurate charges and all discrepancies identified have been corrected.

SIGNED: _____
Chief Financial Officer

Enclosure